

**TERMS OF REFERENCE FOR THE PARTICIPATION OF REGIONS IN INDUSTRIALIZED COUNTRIES
IN THE PROGRAMME
« TOWARDS CARBON NEUTRAL AND CLIMATE RESILIENT TERRITORIES »**

1. CONTEXT

The fight against climate changes is a human solidarity imperative. Global warning has become an undeniable reality and developing countries while having insignificantly contributed to greenhouse gas emissions, are the most vulnerable. The 2007/08 UNDP Human development Report indicates that regions will be divided according to the impact of climate change and that the poorest will have to bear most of the consequences. Climate change could bring unprecedented reversals in human development.

In this context, sub-national authorities constitute an indispensable link in the chain to implement mitigation and adaptation policies. Endowed with prerogatives in the field of policy-making and the implementation of investment projects, sub-national authorities are also in the centre of social cohesion. The reduction of energetic and climate vulnerability is a challenge at the crossroads of local concerns

In the field of mitigation aiming to reduce greenhouse gas emissions, sub-national authorities have a wide array of possible actions to undertake. These policies can range from the reduction of energy use, usage that is mainly local in nature, to a more systematic reliance on decentralized production means, especially through renewable resources.

Taking into account climate patterns in long-term decision-making (in agriculture, planning, infrastructure etc.) is also critical for the future of territories. Adaptation measures need be implemented at the level where the risks that threaten installations and individuals are present.

To take into account this context, UNDP and UNEP, with a number of Associations of Regions, wish to promote a paradigm change: towards a territorial approach to fighting climate change

The programme wishes to develop the capacities of regions in developing and transition countries and help them design and implement their Integrated Territorial Climate Change Strategy and Action Plan (ITCCSA). Programme partners would support sub-national authorities in the following areas:

- Know-how and **good practice** exchanges between the United Nations, national governments, regions and the private sector etc.
- Conception and provision of necessary **methodological tools** and techniques
- **Training** and assistance on how to use these tools, as well as how to put in place a strategy and prepare an action plan
- Assistance to select projects - **public policies and investments** - and identify appropriate regulatory and financial instruments
- Technical assistance to facilitate access to existing classical funds and to **new financial mechanisms**

A significant part of the support (both financial and technical) is expected to come from decentralized cooperation between regions more advanced on climate change (mostly from industrialized countries but not only) [Expert Regions] and regions from developing and transition countries less advanced on climate change [Strategy Making Regions].

UNEP and UNDP's ambition for the next 5 years is to sensitize and train 500 regions on climate change of which 50 will implement an integrated territorial climate change strategy and action plan leading to new policies and investments.

The following inputs are expected form Expert Regions

2. Expertise and know-how

2.1. **Phase 1 of the initiative:** Awareness sessions; increased awareness and understanding of climate change, its consequences and possible actions at the sub-national level

The objective is to make sure that the regions in developing countries are informed of the challenges of climate change (mitigation/adaptation), as well as of the measures already taken at the international level (UNFCCC, Kyoto Protocol...), best practices and actions successfully undertaken by their peers, and able to take advantage of the opportunities to ensure sustainable development within their region (regulatory and financial instruments, technological solutions...).

The Saint Malo Summit of regions on climate change to take place in Brittany October 29 – 30 will also be an excellent opportunity to share know how and knowledge between all regions of the world (www.worldsummitofregions.org)

UNEP training/awareness raising capacity at the global and regional levels, with associations of regions (NRG4SD, NF, CPMR, AER, OLAGI, AIRF), will be leveraged to organize and conduct awareness workshops throughout the five continents.

Representatives of sub-national authorities will be invited to workshops gathering practitioners from other regions, as well as experts from the United Nations, central governments, NGOs, private sector or academia. In this framework, South-South and North-South decentralized cooperation will be encouraged while the learning process facilitated by peers will guarantee a better uptake of knowledge. Expert regions will be invited to participate both to share their experience and increase their knowledge.

In order to develop the format and the content of the awareness sessions, a typology of the know – how and expertise of the expert regions should be provided to UNDP and UNEP. See annex 1.

For the first regions participating in the programme, one global workshop will be organized by the end of 2008 to combine awareness raising and capacity building, as well as first training on tools and methodologies for the design of their strategy.

2.2. **Phase 2 of the initiative:** Training , assisting and accompanying regions in the design of their Integrated Territorial Climate Change Strategy and Action Plan and in the selection of public policy and investment projects

Specific outputs are expected for the elaboration of the Integrated Territorial Climate Change Strategy and Action Plan. See annex 2.

UNDP and UNEP are right now identifying and testing the appropriate methodologies and tools which are being shared and fine tuned with expert regions (Paris July 17th) for benefiting regions to elaborate Integrated Territorial Climate Change Strategies and Action Plans.

In the meanwhile, it is also very important that the expert regions which already have a global experience of designing and adopting integrated climate strategies will be asked to share this experience with as many strategy making regions as possible through common workshops or presentations. They may also assist more closely one or two strategy making regions through the whole process of elaborating and implementing strategies and action plans.

Other expert regions which may not yet have integrated climate strategies but have implemented successfully more specific, thematic actions (such as promotion of renewable energy, protection against floods, reforestation etc) may be called upon to provide case by case assistance to regions

aiming to implement the same type of actions. Each expert region will inform the program coordinator of the areas in which it can/wishes to provide expertise.

Expert regions willing to have an active role in this training and accompanying phase should commit in one or several regions whether through to 2 to 3 missions of 4/5 days in the first 18 months and / or through longer on the field missions. All costs for these missions will be covered by the expert region. UNDP can provide diplomatic, administrative and other assistance for these matters. In order to prepare the first waves of benefiting regions and organize the partnerships training phase, bilateral discussions will be needed once benefiting regions have been identified and agreed upon.

3. Co financing

Very often, donors and partners are keener to finance projects rather than process, which leads to a wide array of small, dispersed and fragmented projects which do not make a strategy. The idea is to invest and support at the sub-national level an ambitious logic of integration, one that focuses on economic development and the transformation of territories and that supports the implementation of national policies.

Establishing Integrated Territorial Climate Change Strategy and Action Plans and Designing public policy and investment projects requires funds as it does in industrialized countries.

An estimated budget has been established for the different components of the Territorial Climate Change Strategy and Action Plan and the Design of the public policy and investment projects;

- Carbon budget, mitigation strategy and action plans: USD 350,000 to USD 400,000
- Vulnerability maps, adaptation strategy and action plans: USD 300,000 to USD 350,000
- Identification and follow up of 4-6 projects included in the ITCCSA : USD 360,000

3.1. Entrance ticket for regions

As one can understand that significant funding will come from bilateral donors, it is important Regions from industrialized countries each commit to contribute at least 50,000 € on a yearly basis. This contribution will be deposited in the UNDP Trust Fund at the beginning of the pilot phase.

Apart from the 7% management fee, these funds will be entirely used to finance external costs of strategy making regions, such as private consultants providing direct assistance to these regions, training of local authorities/stakeholders, hardware and/or software which would be necessary locally, etc... .

3.2. Projects

Once sub-national authorities have selected the projects (public policies and investments) they wish to implement, UNDP will support the sub-national authorities in identifying the appropriate regulatory and financial mechanisms (public / private, national / international). These mechanisms could include carbon finance and CDM, special adaptation funds, international funds such as GEF, national and decentralized cooperation ODA and private sector project financing.

Industrialized regions may be interested in participating in the financing of these projects, notably when they include technologies or companies from their region.

4. Lobbying

An important part of the initiative remains also in lobbying main international and national partners to open the venue of the recognition of the roles of the regions, so that a new market can be opened for direct projects proposals coming from regions and direct investments done by and in regions.

4.1. International

At international level, it is important that the UN system should make full recognition of the role of regional and local authorities in fighting climate change ; in this regard, this initiative is a real first step forward.

It is also important that regional authorities organize themselves at international level to be invited at the negotiation of post-Kyoto agreements. This initiative will empower the recognition of the regions at the round tables of negotiation by demonstrating the added value of regional action through concrete projects on the field

4.2. National

In order to make multilateral funds available from national governments to this specific initiative, it is also much welcome to organize a joined lobbying between UNDP and UNEP in one hand and the different regions of the country in one hand. Joined meetings, joined proposals can be done.

4.3. Local

Expert regions can mobilize their different stakeholders such as universities, private enterprises which want to make available their own expertise, export their technologies, buy CER, and also qualified NGOs.

ANNEX 1: LIST OF MAIN DOMAINS AND TOPICS THAT EXPERT REGIONS CAN PROVIDE

Name of the Regions:

Please mark with a cross your fields of expertise

	Fields		
Mitigation	Agriculture		
	Energy Efficiency in Buildings and Appliances		
	Renewable Energy	Hydroelectricity	
		Wind power	
		Biomass-energy	
		Geothermal	
		Photovoltaic	
	Forestry		
	Waste Management		
	Demand Side Management		
	Transportation and Planning		
Industrial Energy Efficiency			
	Comprehensive Mitigation Strategy		
Adaptation	Agriculture		
	Biodiversity		
	Water management		
	Integrated Coastal Management		
	Comprehensive Adaptation Strategy		
Both	Integrated Territorial Climate Change Strategy and Action Plan		

Specify if you have other specific competencies:

Specify names of persons resources in your region

These information will allow UNDP and UNEP to establish a data base for all partners of the program, and more specifically for the benefiting regions.

ANNEX 2: OUTPUTS OF THE TRAINING, ASSISTANCE AND ACCOMPANYING DEVELOPING REGIONS

Output 1: assessment of GHG emissions and trends: Bilan Carbone

Participating strategy making regions will be given access to the Bilan Carbone Methodology developed by ADEME (French Environment and Energy Management Agency). This methodology has a double goal:

- Quantification of direct and indirect GHG emissions
- Initialization of a reduction dynamic, by identifying short and long term reduction possibilities and proposing reduction targets.

Emissions will be assessed for each of the principal activities (energy industries, industrial processes, commercial sector, residential sector, agriculture and fishery, freight transport, passenger transport, construction, disposal of waste, manufacturing of future waste) and sub-activities taking place in the region (for passenger transport: road transit, car traffic of residents, car traffic of visitors, plane traffic of residents, plane traffic of visitors, etc...).

In most cases, external assistance for this assessment process (and the following strategy design) will be necessary. To ensure that both the most technical aspects of the Bilan Carbone methodology and the local factors are taken into account, this assistance should be provided by a team of one international consultant experienced in using the BC and one local consultant. As often as possible these local consultants will be trained on using the BC so that they can later disseminate the methodology to other regions. The UNDP Country Office will sign contracts directly with both consultants.

Output 2: assessment of risks related to climate change: vulnerability mapping exercise

Regions will assess the vulnerability of their territory to climate change using satellite imagery and scaling down of climatic and socio-economic models permitting the spatial and temporal projection of possible climate impacts according to different hypotheses (sea level, temperature variation, rainfall etc.) The satellite imagery will be provided by UNOSAT, hosted by the CERN in Geneva. UNOSAT will also assist in the preparation of the vulnerability maps.

Output 3: adoption of integrated regional climate change strategy

Strategy making regions participating in the pilot phase commit to adopting within 12/18months a first integrated territorial climate strategy, including quantified GHG emission reduction targets and vulnerability reduction objectives.

On mitigation aspects, financing for technical assistance from the team of consultants previously involved in the Bilan Carbone will be provided.

Regarding adaptation, UNDP will use models available free of charge such as PRECIS developed by UK DEFRA and methodologies such as the APF1 to support assessment of the capacity for adaptation of the territory, and the definition of an adaptation strategy. Technical assistance will be provided by UNDP experts from the national communications team.

Output 4: action plan

Regions participating in the pilot phase commit to translating their strategy into an operational action plan within the following 6/12 months.

¹ Based on the methodology developed by UNDP in 2003 : *Adaptation Policy Framework*, co-published by Oxford University Press and UNDP, 2003.